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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/786,596	02/26/2004	Daniel Y. Fung	028635-12	4371

25570

7590

12/29/2009

ROBERT'S MLOTKOWSKI SAFRAN & COLE, P.C.

Intellectual Property Department

P.O. Box 10064

MCLEAN, VA 22102-8064

EXAMINER

WONG, ERIC TAI WAI

ART UNIT

PAPER NUMBER

3693

NOTIFICATION DATE

DELIVERY MODE

12/29/2009

ELECTRONIC

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

lgallaugh@rmsclaw.com

dbeltran@rmsclaw.com

bdiaz@rmsclaw.com

### Office Action Summary

**Application No.**

10/786,596

**Applicant(s)**

FUNG ET AL.

**Examiner**

ERIC T. WONG

**Art Unit**

3693

**Period for Reply** -- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 11 September 2009.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1,3-5,9-18,20-22,26,27 and 30-61 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1,3-5,9-18,20-22,26,27 and 30-61 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: \_\_\_\_\_

**DETAILED ACTION**

***Claim Status***

1. Claims 1, 3-5, 9-18, 20-22, 26-27 and 30-61 are pending. Claims 1, 4, 9, 18, 26-27 are currently amended and claims 30-61 are new.

***Notice to Applicant***

2. The independent claims had been previously rejected under 35 U.S.C. 103(a) as unpatentable over Checchio in view of D'Agostino, further in view of Berke. In the interview which took place on 9/2/2009 Examiner noted that amendments including limitations drawn to the generation and sending of multiple signals relating to recurring/partial payments and subsequent activation and deactivation information may be sufficient to overcome the references.

3. An additional interview was conducted on 12/14/2009. The Examiner indicated that the independent claims may be allowable subject to an Examiner's amendment. However, upon careful reconsideration, the rejections under 35 U.S.C. 103(a) are maintained. However, the discussed amendments are included below since the majority of the amendments are drawn to informalities. The amendments to claim 27 below would also be sufficient to overcome a rejection of the claim under 35 U.S.C. 101 as being drawn to non-eligible subject matter.

4. The rejections set forth in this Office action refer to the official claim listing entered 9/11/2009. The amendments discussed in the interview conducted on 12/14/2009 are as follows:

1. (Currently amended) A method for managing a financial transaction of a user at both online and offline merchants, comprising:

providing via a server a merchant identification signal including an identification of both online and offline merchants for selection by a user;

authenticating the user at the server via an authentication signal of a device of the user while the user is at an online or offline site of a merchant selected based on the merchant identification signal;

transmitting via the user device directly to a financial institution an activation signal for activating a reusable, pre-existing, unaltered and permanent credit or debit card account number of the user from the user device to the financial institution for processing financial transactions, while the user is authenticated and based on the selection of the merchant by the user based on the merchant identification signal from the server;

submitting a payment request including the reusable, pre-existing, unaltered and permanent credit or debit card account number to the financial institution from the merchant, while the reusable, pre-existing, unaltered and permanent credit or debit card account number is activated; and

de-activating the reusable, pre-existing, unaltered and permanent credit or debit card account number after the payment request is processed by the financial institution, wherein the financial institution only accepts and processes payment requests received from merchants while the reusable, pre-existing, unaltered and permanent credit or debit card account number is activated, and the financial institution declines payment requests while the reusable, pre-existing, unaltered and permanent credit or debit card account number is de-activated,

wherein the payment request comprises a recurring payment request or a partial payment request and the method further comprises processing the partial payment request including generating one or more subsequent activation signals by the server and generating deactivation information based on the selection of the merchant by the user for processing remaining payments or processing the recurring payment request including generating one or more subsequent activation signals by the server and generating deactivation information based on the selection of the merchant by the user for processing recurring payments, and

the generation of the subsequent activation signals by the server do not require ~~the authenticating step~~ further authenticating of the user by the server.

26. (Currently amended) A computer program product for managing a financial transaction of a user at both online and offline merchants, including one or more computer readable instructions embedded on a computer readable medium and configured to cause one or more computer processors to perform the steps of:

providing via a server a merchant identification signal including an identification of both online and offline merchants for selection by a user;

authenticating the user at the server via an authentication signal of a device of the user while the user is at an online or offline site of a merchant selected based on the merchant identification signal;

transmitting via the user device directly to a financial institution an activation ~~information~~ signal for activating a reusable, pre-existing, unaltered and permanent credit or debit card account number of the user from the user device to the financial institution for processing financial transactions, while the user is authenticated and based on the selection of the merchant by the user based on the merchant identification signal from the server;

submitting a payment request including the reusable, pre-existing, unaltered and permanent credit or debit card account number to the financial institution from the merchant, while the reusable, pre-existing, unaltered and permanent credit or debit card account number is activated; and

de-activating the reusable, pre-existing, unaltered and permanent credit or debit card account number after the payment request is processed by the financial institution, wherein the financial institution only accepts and processes payment requests received from merchants while the reusable, pre-existing, unaltered and permanent credit or debit card account number is activated, and the financial institution declines payment requests while the reusable, pre-existing, unaltered and permanent credit or debit card account number is de-activated,

wherein the payment request comprises a recurring payment request or a partial payment request and the method further comprises processing the partial payment request including generating one or more subsequent activation signals by the server and generating deactivation

information based on the selection of the merchant by the user for processing remaining payments or processing the recurring payment request including generating one or more subsequent activation signals by the server and generating deactivation information based on the selection of the merchant by the user for processing recurring payments, and

the generation of the subsequent activation signals by the server do not require ~~the authenticating step~~ further authenticating of the user by the server.

27. (Currently amended) A system for managing a financial transaction of a user at both online and offline merchants, the system comprising:

a server configured to provide a merchant identification signal including an identification of both online and offline merchants for selection by a user; and

a user device connected to the server over a communications network;

wherein the server is configured to authenticate the user via an authentication signal of ~~[[a]] the~~ device of the user while the user is at an online or offline site of a merchant selected based on the merchant identification signal;

wherein the user device is configured to transmit directly to a financial institution an activation signal for activating a reusable, pre-existing, unaltered and permanent credit or debit card account number of the user from the user device to the financial institution for processing financial transactions, while the user is authenticated and based on the selection of the merchant by the user based on the merchant identification signal from the server;

wherein the merchant ~~submitting~~ submits a payment request including the reusable, pre-existing, unaltered and permanent credit or debit card account number to the financial institution , while the reusable, pre-existing, unaltered and permanent credit or debit card account number is activated; ~~[[and]]~~

wherein the reusable, pre-existing, unaltered and permanent credit or debit card account number is de-activated after the payment request is processed by the financial institution, wherein the financial institution only accepts and processes payment requests received from merchants while the reusable, pre-existing, unaltered and permanent credit or debit card account number is activated, and the financial institution declines payment requests while the reusable, pre-existing, unaltered and permanent credit or debit card account number is de-activated;~~[[,]]~~

wherein the payment request comprises a recurring payment request or a partial payment request and the system is ~~configure for processing~~ configured to process the partial payment request ~~including by~~ generating one or more subsequent activation signals by the server and generating deactivation information based on the selection of the merchant by the user for processing remaining payments or processing the recurring payment request including generating one or more subsequent activation by the server and generating deactivation information based on the selection of the merchant by the user for processing recurring payments;[[.]] and

wherein the generation of the subsequent activation signals by the server do not require [[the]] further authenticating of the user by the server.

***Claim Rejections - 35 USC § 101***

5. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

6. Claims 27, 46-61 rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

7. The claims are directed to non-statutory subject matter because the claimed invention is a system with no structural limitations. The claimed system is defined merely by software or terms synonymous with software or files such as “modules”, “servers”, “engine”, “webpage”, “tool”, “logic”, “interface”, “GUI” etc.



***Claim Rejections - 35 USC § 103***

8. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

9. Claims 1, 3-5, 16-17, 20, 22, 26, 27, 30-32, 40-41, 43, 45-48, 56-57, 59, and 61 rejected under 35 U.S.C. 103(a) as being unpatentable over Checchio (US Patent No. 6,052,675, cited in prior Office action) in view of D'Agostino (US Patent No. 6,324,526, cited in prior Office action), further in view of Berke (US Patent No. 6,629,092, cited in prior Office action).

10. Regarding claims 1, 26, and 27, Checchio discloses:

authenticating the user at the server via an authentication signal of a device of the user (see FIG. 1A, step S1) while the user is at an online or offline site of a merchant (see column 2 lines 6-14);

transmitting via the user device directly to a financial institution an activation signal for activating a reusable, pre-existing, unaltered and permanent credit or debit card account number of the user from the user device to the financial institution for processing financial transactions, while the user is authenticated and based on the specification of the merchant (see FIG. 1A, step S9, see claim 22 for "directly");

submitting a payment request including the credit or debit card account number to the financial institution from the merchant, while the credit or debit card account number is activated (see FIG. 1B, step S15); and

deactivating the reusable, pre-existing, unaltered and permanent credit or debit card account number after the payment request is processed by the financial institution,

wherein the financial institution only accepts and processes payment requests received from the merchants while the credit or debit card account number is activated, and the financial institution declines payment requests while the credit or debit card account number is deactivated

Examiner notes that the Checchio discloses that every transaction must be authorized. The preauthorization of every transaction is equivalent to activating the card for a transaction and deactivating it after the transaction is finished.

11. Checchio does not explicitly disclose wherein the payment request comprises a recurring payment request or a partial payment request and the method further comprises processing the partial payment request including generating one or more subsequent activation signals by the server and generating deactivation information based on the selection of the merchant by the user for processing remaining payments or processing the recurring payment request including generating one or more subsequent activation signals by the server and generating deactivation information based on the selection of the merchant by the user for processing recurring payments, and the generation of the subsequent activation signals by the server do not require further authentication of the user by the server.

12. D'Agostino teaches a method for pre-authorizing repeating transactions which includes pre-authorizing transactions wherein payments may be automatically accessed by a merchant over a predetermined or unspecified time interval (such as every thirty days) for a specific amount of a maximum dollar amount limit, wherein further authentication is not required (see column 3 lines 55-65, column 8 lines 29-46).

13. It would have been obvious to one skilled in the art at the time of invention to modify the method of pre-authorizing transactions of Checchio to include wherein the payment request comprises a recurring payment request or a partial payment request and the method further comprises processing the partial payment request including generating one or more subsequent activation signals by the server and generating deactivation information based on the selection of

the merchant by the user for processing remaining payments or processing the recurring payment request including generating one or more subsequent activation signals by the server and generating deactivation information based on the selection of the merchant by the user for processing recurring payments, and the generation of the subsequent activation signals by the server do not require further authentication of the user by the server. The modification would have merely been the application of a known technique, eg. preauthorization of recurring or partial payments, to a known method ready for improvement, eg. Checchio's preauthorization method, yielding predictable results.

14. Examiner notes that the proposed combination discloses the generation of subsequent activation and deactivation signals. Checchio requires that every transaction be pre-authorized. Checchio further provides for the specification of a date of sale in the network and vendor data (see column 4 line 57 – column 5 line 5). The proposed combination of Checchio and the teachings of D'Agostino would result in multiple pre-authorizations, each specifying a date of sale. The multiple pre-authorizations would necessarily include the generation of subsequent activation and deactivation signals.

15. Checchio does not explicitly disclose providing a merchant identification signal including an identification of both online and offline merchants for selection by a user; and activating the card based on the selected merchant.

16. Berke teaches providing via a server an identification of both online and offline merchants for selection by a user (see column 2 lines 38-45).

17. It would have been obvious to one skilled in the art at the time of invention to modify the method of pre-authorizing transactions of Checchio further with providing via a server an identification of both online and offline merchants for selection by a user. One skilled in the art would have been motivated to make the modification for increased convenience to the user.

18. Regarding claims 3, 30, and 46, Checchio teaches authenticating the user with the user device (see abstract, FIG. 1, steps S3, S5, and S7).

19. Regarding claims 4, 31, and 47, Checchio teaches wherein the activation information is automatically transmitted to the financial institution when the user logs into the server (see column 4 lines 57-65).

20. Regarding claims 5, 32, and 48, Checchio teaches wherein the result of the processing of the financial transaction is transmitted to the user via the server (see FIG 1B steps S19 and S17).

21. Regarding claims 16, 40, and 56, Checchio teaches wherein the user authentication includes at least one of authentication of the user based on a user name and password of the user, authentication based on biometric information of the user, and authentication of the user based on personal identification number information of the user (see abstract).

22. Regarding claims 17, 41, and 57, Checchio teaches wherein the de-activating of the permanent credit or debit card account number is performed at the financial institution after the processing of the payment request (see abstract).

23. Regarding claims 20, 43, and 59, Checchio teaches transmitting the reusable, pre-existing, unaltered and permanent credit or debit card account number from the user device to a device of the merchant for processing the payment request (see FIG.1A step S1).

24. Regarding claims 22, 45, and 61, Checchio teaches reading the permanent credit or debit card account number from a card via a card reader device of the merchant for processing the payment request (see column 5 line 60 - column 6 line 4).

25. Claims 10-11, 34-35, and 50-51 rejected under 35 U.S.C. 103(a) as being unpatentable over Checchio in view of D'Agostino, further in view of Berke, further in view of McAllister (US Patent No 5,513,250, cited in prior Office action).

26. Regarding claims 10, 34, and 50, McAllister teaches using a unique user name and password in the authenticating step (see column 12 lines 40-47). Therefore, it would have been obvious to one skilled in the art at the time of invention to modify the method of pre-authorizing transactions of Checchio to include using a unique user name and password in the authenticating

step. One skilled in the art would have been motivated to make the modification for increased security.

27. Regarding claims 11, 35, and 51 McAllister teaches de-activating the credit or debit card account number a predetermined amount of time after the user is authenticated (see column 3 lines 8-9). Therefore, it would have been obvious to one skilled in the art at the time of invention to modify the method of pre-authorizing transactions of Checchio to include de-activating the credit or debit card account number a predetermined amount of time after the user is authenticated. One skilled in the art would have been motivated to make the modification for increased security.

28. Claims 9, 12-15, 18, 21, 33, 36-39, 42, 44, 49, 52-55, 58, and 60 rejected under 35 U.S.C. 103(a) as being unpatentable over Checchio in view of D'Agostino, further in view of Berke, further in view of Flitcroft (US PG-Pub 2003/0028481 A1, cited in prior Office action).

29. Regarding claims 9, 33, and 49, Checchio does not explicitly teach wherein the activation information is transmitted as one of a secure signal, an encrypted e-mail message, a secure facsimile message, a secure wireless communications message, a secure telephone communications message, a secure SMS message, and a secure web services message. Flitcroft teaches using secure communication between the user and financial institution (see paragraph 125). Therefore, it would have been obvious to one skilled in the art at the time of invention to

modify the method of pre-authorizing transactions of Checchio to include wherein the activation information is transmitted as one of a secure signal, an encrypted e-mail message, a secure facsimile message, a secure wireless communications message, a secure telephone communications message, a secure SMS message, and a secure web services message.

30. Regarding claims 12, 36, and 52, Flitcroft teaches creating a unique credit or debit card with a limited available balance based on the credit or debit card account number of the user; and allowing the user to execute financial transactions subject to the available balance using the unique credit or debit card in place of the permanent credit or debit card account number (see abstract). Therefore, it would have been obvious to one skilled in the art to modify the method of pre-authorizing transactions of Checchio to include creating a unique credit or debit card with a limited available balance based on the credit or debit card account number of the user; and allowing the user to execute financial transactions subject to the available balance using the unique credit or debit card in place of the permanent credit or debit card account number. One skilled in the art would have been motivated to make the modification for increased security.

31. Regarding claims 13, 37, and 53, Checchio teaches authenticating at the server; and transmitting from the server the activation information to the financial institution for processing of the payment request, wherein the financial institution processes online and offline payment requests received from merchants while the unique credit or debit card is activated and declines payment requests while the unique credit or debit card is de-activated (see abstract).

32. Regarding claims 14, 38, and 54 as discussed in the rejection of claim 1, the proposed combination of Checchio and D'Agostino would have resulted in the generation of subsequent activation signals.

33. Regarding claims 15, 39, and 55, as discussed in the rejection of claim 1, the proposed combination of Checchio and D'Agostino would have resulted in the generation of subsequent activation signals.

34. Regarding claims 18, 42, and 58, Checchio does not explicitly teach wherein the financial institution includes web services for processing the activation information and the user device is enabled to access the web services of the financial institution for transmitting the activation information.

35. Flitcroft teaches wherein the financial institution includes web services for processing the activation information and the user device is enabled to access the web services of the financial institution for transmitting the activation information (see paragraph 127).

36. It would have been obvious to one skilled in the art at the time of invention to modify the method of pre-authorizing transactions of Checchio further with wherein the financial institution includes web services for processing the activation information and the user device is enabled to access the web services of the financial institution for transmitting the activation information.

One skilled in the art would have been motivated to make the modification for added convenience to the customer.



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37. Regarding claims 21, 44, and 60, Flitcroft teaches storing credit or debit card account numbers on a user device via a secure mechanism (see paragraphs 131-134). Therefore, it would have been obvious to one skilled in the art at the time of invention to modify the method of pre-authorizing transactions of Checchio further with storing the credit or debit card account number on a user device via a secure mechanism. One skilled in the art would have been motivated to make the modification for added convenience to the customer.

***Response to Arguments***

38. Applicant's arguments filed 9/11/2009 have been fully considered but they are not persuasive.

39. Applicant argues that even if Checchio were modified by the disclosure of D'Agostino, the resulting system would include preauthorization for a specific vendor, dollar amount, and multiple transactions using a single unique transaction code. The argument is found unpersuasive for the following reasons:

40. In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986). D'Agostino is cited only for the teaching that multiple payments, such as recurring or partial payments, may be pre-authorized. The proposed combination of Checchio and D'Agostino does not necessarily incorporate the single transaction code of D'Agostino.

41. Applicant argues that based on the disclosure of Checchio, even in view of Berke, one of ordinary skill in the art would not be led to "providing via a server an identification of both online and offline merchants for selection by a user" in view of Checchio's requirement of pre-authorization of all vendors by the user. The argument is found unpersuasive for the following reasons:

42. The fact that Checchio discloses that all transactions must be pre-authorized does not necessarily teach away from providing a list of merchants from which a user can select from. For example, one may list common vendors in order to provide convenience to the user. When a particular vendor is not found in the list, then the user would be able to specify the vendor identification code in the manner originally disclosed by Checchio.

***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to ERIC T. WONG whose telephone number is 571-270-3405. The examiner can normally be reached on Monday-Friday 9:00AM-5:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James A. Kramer can be reached on 571-272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/James A. Kramer/  
Supervisory Patent Examiner, Art Unit 3693

ERIC T. WONG  
Examiner  
Art Unit 3693

December 15, 2009